



# County Supervisors ASSOCIATION of arizona

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**COUNTY SUPERVISORS ASSOCIATION  
BOARD OF DIRECTORS  
AGENDA  
April 21, 2011  
Boardrooms A and B  
County Supervisors Association  
1905 W. Washington St.  
Phoenix, AZ**

10:00 a.m. Call to Order / Pledge / Prayer ~ *President David Tenney*

- 1) Approval of Minutes (*previously distributed*)
  - ❖ March 17, 2011, Board of Directors Meeting
  - ❖ April 8, 2011, Legislative Policy Committee Meeting
  - ❖ April 15, 2011, Legislative Policy Committee Meeting
- 2) Legislative Policy Committee Discussion
  - ❖ Budget Update / Flexibility Language
  - ❖ Pension Reform Update
  - ❖ Legislative Progress Report
  - ❖ CSA Legislative Package
- 3) SRS Action Team Meeting Update
- 4) NACo Report
  - ❖ National County Government Month (April, 2011)
  - ❖ NACo Presidential Leadership and Committee Appointments Process Deadline of May 25, 2011
  - ❖ NACo Steering Committee Process Deadline of June 10, 2011
  - ❖ Western Interstate Region Conference, May 18-20, 2011, Chelan County, Washington
  - ❖ NACo Annual Conference, July 15-19, 2011, Portland, Oregon
- 5) County Managers Association Report ~ *Steve Peru, Chairman*
- 6) County Caucus Reports
- 7) Other Business
- 8) Adjourn

*Attendance may occur by teleconference or videoconference*

The County Supervisors Association Board of Directors may vote to order an executive session for the purposes of discussion on any of the agenda items. A.R.S. § 38-431.03(A)(1), (3), (4), and (5).



## Final Budget Recommendation Impacts To Counties

### Law Enforcement:

- **Inmate transfer:** Beginning July 1, 2012, mandates that inmates sentenced to the Department of Corrections for less than one year are the responsibility of the county. Includes certain DUI, felony offenders and probation violators. The county may house the inmate in county jail or pay to house the inmate at DOC. DOC must be notified by Dec 31, 2011. Rate to be set by DOC. (SB1621)
- **GIITEM:** Of the monies appropriated, Maricopa receives the first \$1.6 million and Pinal the next \$500,000. Pima County is statutorily excluded from receiving these monies. (SB1621)
- **Lake Enforcement/Boating Safety Fund:** for FY11-12, available monies may only be granted to La Paz, Mohave and Yuma counties. (SB1624)
- **ASRS:** Changes the employer-employee contribution. Previous rates were divided at 50 percent each. Employers now pay 47 percent and employees pay 53 percent. Impact is a county savings of three percent of a county's payroll, and a three percent reduction in employee salary amount. (SB1614)

### General Government:

- **Mandated county transfers:** Requires Maricopa, Mohave, Pima, Pinal and Yavapai to contribute a combined \$38.6 million in county transfers to the state. (SB1616)
- **County Flexibility Language:** Permits counties to use any source of revenue, including special taxing districts where the board of supervisors also serves as the board of directors, to fulfill mandated county transfer payments to the state. (SB1616)

### Transportation:

- **HURF Shift to DPS:** Increases diversion of HURF resources to fund operations at DPS from \$13.2 million to \$20.9 million. (SB1612/SB1621)
- **Motor Vehicle Department:** Funds the state MVD from HURF. Holds harmless 10 rural counties. Estimated county impact \$12.3 million. (SB1612)

### Healthcare:

- **Sexually Violent Persons:** Increases county share of costs associated with SVP's housed at the Az State Hospital to 50%. Estimated county impact is \$7 million. (SB1619)
- **Restoration to Competency:** Continuation of 100% county costs for RTC assignments to Az State Hospital. (SB1619)

### Judicial:

- **Justice of the Peace Salaries:** Makes permanent county share of JP salaries at 80.75 %. Est. county impact \$1.3 million. (SB1621)
- **Superior Court judges salaries:** Maricopa pays 100% of salaries. (SB1612)
- **Grand Jury reimbursement:** suspends requirement of 50% reimbursement to the counties for grand jury expenses and for state-funded representation of post-conviction relief proceedings. (SB1621)



**County Flexibility Language  
FY11 and FY12**

**FY2012 - 50<sup>th</sup> Legislature, 1<sup>st</sup> Regular Session, SB1616**

**Sec. 8. County transfers; fiscal year 2011-2012; county expenditure limitations**

- A. Notwithstanding any other law, in fiscal year 2011-2012, the following counties shall transfer the following amounts to the state treasurer for deposit in the state general fund:
- B. Notwithstanding any other law, a county may meet any statutory funding requirements of this section from any source of county revenue designated by the county, including funds of any countywide special taxing district in which the board of supervisors serves as the board of directors.
- C. Contributions made pursuant to this section are excluded from the county expenditure limitations.

**FY2011 – “Omnibus Language”- 49<sup>th</sup> Legislature, 7<sup>th</sup> Special Session, HB 2012**

**Sec. 47. County transfers; fiscal year 2010-2011; county expenditure limitations**

- A. Notwithstanding any other law, in fiscal year 2010-2011, each county with a population of two million or more persons shall transfer \$28,600,000 and each county with a population of more than eight hundred thousand persons but less than two million persons shall transfer \$6,000,000 to the state treasurer for deposit in the state general fund.
- B. Notwithstanding any other law, a county may meet any statutory funding requirements of this section from any source of county revenue designated by the county, including funds of any countywide special taxing district in which the board of supervisors serves as the board of directors.
- C. Contributions made pursuant to this section are excluded from the county expenditure limitations.

**Sec. 48. County fiscal obligations**

Notwithstanding any other law, for fiscal years 2010-2011 and 2011-2012, a county may meet any county fiscal obligation from any source of county revenue designated by the county, including funds of any countywide special taxing jurisdiction in which the board of supervisors serves as the board of directors.

# SB 1609: retirement systems; plans; plan design

Updated as of 4-12-11

	<i>All Members</i>		<i>Current Actives</i>	<i>New Members</i>
Plan	COLA	Contribution Rates	Design Changes	Design Changes
ASRS	<ul style="list-style-type: none"> <li>No Changes</li> </ul>	<ul style="list-style-type: none"> <li>No Changes</li> </ul>	<ul style="list-style-type: none"> <li>Return to work (ACR) with no grace period; effective 7/1/2012</li> </ul>	<ul style="list-style-type: none"> <li>Elimination of "points" system; effective 7/1/ 2011</li> <li>Age and service requirements: 30-yrs @55 or 25-yrs @ 60.</li> <li>Return to work (ACR); effective 7/1/2012</li> <li>Commissioners to ASRS prospectively</li> </ul>
EORP	<ul style="list-style-type: none"> <li>Investment earnings greater than 10.5%</li> <li>Graduated COLA increase, if fund is greater or equal to 60% to 80% AV.</li> </ul>	<ul style="list-style-type: none"> <li>+3% for 1 year</li> <li>+1.5% for 2 years</li> </ul> <p>(Final increase is 13% after 3-yrs)</p>	<ul style="list-style-type: none"> <li>Return to work (ACR) – employer pays, not less than 10%</li> </ul>	<ul style="list-style-type: none"> <li>Normal retirement @65 with 5 years or 62 with 10 yrs of service</li> <li>5-year FAC</li> <li>No early retirement</li> <li>Accrual @3% with a max of 75% FAC</li> <li>Disability based on same formula as retirement</li> <li>Survivor benefit =50%; if retiree elects higher, actuarial reduction required</li> <li>Return to work employer pays, not less than 10%</li> <li>No double contributions \$ refund</li> <li>Employee refund gets interest @rate set by Board</li> <li>COLA eligibility age 55</li> </ul>
PSPRS	<ul style="list-style-type: none"> <li>Investment earnings greater than 10.5%</li> <li>Graduated COLA increase, if fund is greater or equal to 60% to 80% AV.</li> </ul>	<ul style="list-style-type: none"> <li>+1% for 1 year</li> <li>+ .9%, .8%, .7%, .6%</li> </ul> <p>(Final increase is 11.65% after 5-yrs)</p>	<ul style="list-style-type: none"> <li>Return to work (ACR) – employer pays, not less than 8%</li> <li>DROP as of Jan 1, 2012 <ul style="list-style-type: none"> <li>➤ Contribution rate + interest earning restrictions &lt;20 years;</li> <li>➤ 20 years and up=current DROP</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>PSPRS Proposed changes (25 years/age 52 ½; 5-year FAC);</li> <li>No DROP;</li> <li>Return to work employer pays, not less than 8%</li> <li>No double contributions \$ refund</li> <li>Employee refund gets interest @rate set by Board</li> <li>Early retirement adjustments</li> <li>COLA eligibility age 55</li> </ul>
CORP	<ul style="list-style-type: none"> <li>Investment earnings greater than 10.5%</li> <li>Graduated COLA increase, if fund is greater or equal to 60% to 80% AV.</li> </ul>	No changes	<ul style="list-style-type: none"> <li>Return to work (ACR) – employer pays, not less than 6%</li> </ul>	<ul style="list-style-type: none"> <li>PSPRS Proposed changes (25 years/age 52 ½; 5-year FAC);</li> <li>Return to work employer pays, not less than 6%</li> <li>No double contributions \$ refund</li> <li>Employee refund gets interest @rate set by Board</li> <li>Early retirement adjustments</li> <li>COLA eligibility age 55</li> </ul>

## Separate Policy Issues:

- ✓ Pension forfeited for commission of felony (Class 5 or higher) in the performance of official duties – effective date upon enactment
- ✓ Future PSPRS Fund Managers in ASRS
- ✓ Service purchase after 10-yrs of service may purchase up to 5-yrs of forfeited time – effective date upon enactment
- ✓ Ad-Hoc COLA option with JLBC evaluation
- ✓ Study of defined contribution options; definition of compensation; consolidation of local boards; merging 401(a) Plan options; medical disability reforms. Appropriation (\$100K) to cover actuarial work of the study.